GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:827
ANSWERED ON:28.11.2005
PRICE OF ESSENTIAL DRUGS
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has taken any step or evolved a policy to bring down and keep the prices of essential drugs in check in consultation with the major pharmaceutical Multi-National Companies;

(b) if so, the details thereof; and

(c) the steps taken in this regard and the outcome thereof ?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to(c) : As per the present Pharma Pricing Policy,the 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/ revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95.Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc., The NPPA monitors the prices of medicines as per monthly Retail Audit Reports of ORG-IMS Research Pvt. Ltd. The Government takes corrective measures where the public interest is found to be adversely affected.A Task Force under the Chairmanship of Dr. Pronab Sen, Principal Adviser, Planning Commission was constituted to explore options other than price control to make available life saving drugs at reasonable prices.

The Task Force has submitted its report to the Government on the 20th September, 2005.The Government in consultation with various stakeholders is examining the recommendations of the Task Force.Based on this a new Pharmaceutical Policy is likely to be announced shortly.